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A STUDY ON CONSUMER BUYING BEHAVIOUR OF CONFECTIONERY PRODUCTS IN VISAKHAPATNAM

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ABSTRACT

The objective of the research paper is to understand consumer buying behaviour of confectionery products in an Indian scenario with specific reference to Visakhapatnam. The purpose of this paper is to investigate the various factors that has impact on buying decision of consumers. The Respondents were selected based on convenient sampling method and data analysis and interpretations have been done based on statistical techniques.

The study implicates that different factors have significant influence on buying behavior. This study also contributes to the knowledge of how confectionery companies will be able to understand buying habbits of consumers.

KEYWORDS: Indian Scenario with Specific Reference to Visakhapatnam, Convenient Sampling Method and Data Analysis and Interpretations

INTRODUCTION

Confectioneries are used to make confections. In general these are sugar rich products of varied varieties. These products fall under FMCG category. These products are preferred by all at varied occasions. Irrespective of financial backgrounds and age groups, confectioneries are consumed by all kinds of people. These confectioneries are available at all types of stores. As like other FMCG products, confectioneries are all also made available rural regions.

The confectioneries are categorized into three types. They are: Sugar Confectioneries, Sugar-free confectioneries and Baker`s confectioneries. Sugar confectioneries include candied fruits & nuts, chocolates, chewing gums, sweets, sugar candies etc. These confectioneries are rich in sugar and carbohydrates. Sugar-free confectioneries have less/no sugar content in them. These are consumed for healthy nutrition purpose. These are, in general, consumed on prescription by doctors to some people and also by common persons who are addicted to chewing gums in order to get rid of fatty acids. Baker`s confectioneries are also called flour confectioneries. These include doughnuts, cakes, sweet pastries, cookies etc.

There are many confectionery producers in world; some of the leading producers include Mars Inc., Ferrero Group, Nestle SA, Hershey Foods Corp., Britannia, Perfetti Van Melle etc. As per the article published in International Cocoa Industry on 23rd January 2015 Mars Inc., Mondelez International and Ferrero Group top the Industry with Net sales-2014 of 18,480 US $ million, 14,350 US $ million and 10,911 US $ million respectively.

Along with 4 P`s of Marketing i.e. Product, Price, Place and Promotion, Packaging also plays a vital role in the sales of confectioneries. Companies implement new strategies in order to gain market share and to sustain competition. As like to other FMCG products, Confectionery producers also introduce new variety of products from time to time in order to improve their market position. Confectionery producers follow wide range of promotions involving celebrities and

also use animations to draw attention of the viewers. Varied types of advertisements are aired for different age categories of people. Companies also follow discounts and free coupons/offers for products to attract new customers and to encourage customers to buy products in more quantity than usual.

REVIEW OF LITERATURE

"Analysts predict lightning growth for Indian confectionery market, by RJ Whitehead, published in Food navigator-asia.com on 11th Feb.2015, throws light on the growth in Indian Confectionery market. Due to economic growth and development, the disposable incomes have been increased, particularly in middle class. Hence, the companies eye at tapping this market more than that in the previous years. Over chocolates, gums & jellies are most preferred confectioneries by Indians according to this research article. While, children are more attracted towards sweet candies and toffees. With the above stated advantages, the analysts look at 70% growth in the market by 2018 over 2013.

"India`s Confectionery market seeing innovative products & new brands", by Juhi Sharma, published in India Retailing.com on 15th Sep.2014, deals with the induction of new brands into the Indian confectionery market, challenges faced by the companies and concerned prospects. The writer quoted example of Dabur`s Hajmola success in the market right from its introduction stage which is promoted as a digestion supportive tablet and candy. In this way, many companies targeted the market with unique promotion and products. Companies started producing the products considering the consumers` consciousness towards their health and the products like Mint were instant hit. The companies also follow unconventional distribution patterns to gain sales.

"Slowdown makes Candies, toffees sweeter than Chocolate in India" by Ratna Bhushan, Economic Times in 2013, discusses about the shift in the trend from chocolate consumption towards Candies and Toffees consumption in India. According to this article, the price played a key role in the shift. The Chocolates were priced starting from Rs.5 per pack, while candies and toffees were priced from Rs.1 per pack influencing consumers to get more packs for less price. Analysts attribute that lack of innovation in products as well as promotion and packaging lead to the downfall in the consumption of Chocolates in India. According to this article, Confectioneries makers like Ferrero, Wrigley`s, Parle & ITC attribute the increasing demand to factors like introduction of new products, high investments in distribution and marketing spends and products innovation.

"Indian Confectionery industry on a growth trajectory driven by rising consumerism and young consumers", by Nandita Vijay, published in FnBnews.com, on March 7, 2011, discusses brief on the trends in the chocolate industry and the challenges faced by the confectioneries producers. According to this article, the confectionery industry has achieved maturity stage. Many players have entered into the Indian market and there were also some Joint Ventures & Mergers been observed which resulted in the growth of the industry. The positioning strategies are changed accordingly to influence the health-conscious consumers. According to this article, rising inflation and food prices, mainly cost of sugar, is the major challenge that is and will be faced by the confectioneries producers.

OBJECTIVES OF THE STUDY

- To understand the demographic profile of the respondents.
- To understand the buying pattern and amount spent in buying confectionery products.
- To analyse the buying process of confectionery products.

- To analyse the effect of promotion on buying behaviour.

LIMITATATIONS OF THE STUDY

- Time constraint is a major problem which has affected inferences drawn from the study.
- Some of the respondents were not interested and were avoiding to share the information with the researcher.
- The survey was carried out in Visakhapatnam alone and it doesn't represent the over all scenario of Indian market.

RESEARCH METHODOLOGY

Sources of Data

The study is confined to both primary and secondary data .The primary data has been collected through the method of Questionaire and the secondary data has been collected from industry reports and internet.

Sample Selected for the Study

A total of 281 respondents from Visakhapatnam city were selected for the study. Convenience sampling methods were followed for collecting the response from the respondents.

Area of the Study

The study area is confined to Visakhapatnam city, Andhrapradesh. It is identified as one of the city with mix of people from different cultures and regions representing people from different parts of the country.

Tools for the Analysis

The statistical tool used for the purpose of the analysis of the study is simple percentage technique and ranking techniques. After the collection of data through the questionnaire, editing was done carefully. Based on the response of samples, tables were prepared. The data collected were analysed and interpreted with the help of tables and figures.

Analysis and Interpretation

Table 1

Age	No. of Respondents	% of Responses
<18years	59	21
18-23years	140	50
24-29 years	39	14
30-35years	19	7
>35years	24	8
Total	**281**	**100**

Interpretation 1: According to Table 1, 50% of the respondents fall in the age group 18-23 years, 21% respondents having age less than 18 years and 14% of the total respondents fall n age group 24-29years.

Table 2

Option	No. of Responses	% of Responses
Sugar Confectionery	134	48
Sugar free Confectionery	55	19
Baker`s Confectionery	92	33
Total	**281**	**100**

Interpretation 2: The above table no.2 represents the choice of respondents in the extent of consumption of confectionery products. Among Sugar, Sugar-free & Baker`s Confectionery products, maximum i.e. 48% of the total

respondents consume Sugar Confectionery more where the next place goes to Baker`s confectionery with 33% and Sugar-free confectionery with 19% of respondents preferring more when compared to others.

RESULTS

Table 3

Choice	No. of Responses	% of Responses
Yes	87	31
No	194	69
Total	**281**	**100**

Illustration 3: According to the analysis (Table 3) 69% of the total respondents don`t check for sugar content before consuming confectionery products while the remaining do check for sugar content.

Table 4

Choice	No. of responses	% of Responses
Daily	29	10
twice a week	52	19
weekly	50	18
occasionally	150	53
Total	**281**	**100**

Illustration 4: Above table S4 reflect frequency of Sugar-free confectionery by the respondents. 53%of the total respondents purchase Sugar free confectionery occasionally while 19% & 18% of the respondents prefer to buy Sugar-free confectionery twice a week & weekly respectively.

Table 5

Choice	No. of responses	% of responses
Daily	75	27
twice a week	66	23
Weekly	64	23
occasionally	76	27
Total	**281**	**100**

Illustration 5: The above table 5 reflects frequency of Sugar confectionery by the respondents. 27%of the total respondents purchase Sugar confectionery occasionally while 23% & 23% of the respondents prefer to buy Sugar confectionery twice a week & weekly respectively.

Table 6

Choice	No. Of responses	% of responses
sugar candies	28	10
chewing gums	42	15
Chocolates	115	41
ice cream	65	23
candied fruits & nuts	31	11
Total	**281**	**100**

Illustration 6: This illustration deals with the general preference of respondents towards various types of Sugar Confectionery. 41% of the respondents prefer Chocolates more against sugar candies (10%), chewing gums (15%), ice

cream (23%) & candied fruits & nuts (11%).

Table 7

Choice	No. of Responses	% of Responses
Nestle	42	15
Cadbury	142	50
Mars/Wrigley`s	39	14
Hershey`s	34	12
Lotte	24	9
others	0	0
Total	**281**	**100**

S

Illustration 7: This illustration throws light on do the respondents recognize the brand name of Sugar confectionery they consume and of yes, which Brand`s Sugar Confectionery they consume more. 50% of the respondents prefer Cadbury`s products while 15% & 14% of the respondents prefer Nestle & Mars/Wrigley`s products respectively.

Table 8

Choice	No. of responses	% of responses
Taste of 'products	188	67
Product pricing	33	12
Offers	19	6.5
celebrity endorsements	20	7
sugar content	20	7
Others	1	0.5
Total	**281**	**100**

Illustration 8: With respect to the respondents` choice of most preferred brand, they were given an opportunity to rank the factors which they feel responsible for their brand preference. 67% of the respondents opted Taste of the product as the highly influencing factor where as price of the products occupied second spot with 12% of the respondents felt that this is the highly influencing factor for brand preference

Table 9

Choice	No. of Responses	% of Responses
Least important (1,2,3)	45	16
Neutral (4,5,6)	97	35
High Important (7,8,9)	139	49
Total	**281**	**100**

Illustration 9: While purchasing Sugar Confectioneries 49% of the respondents feel brand is highly important for them whereas 16% of the respondents feel that brand plays least important role while purchasing Sugar Confectioneries.

Table 10

Amount (in Rs.)	No. of responses	% of responses
<300	121	43
300-600	92	33
600-1000	53	19
>1000	15	5
Total	**281**	**100**

Illustration 10: According to above table no.10, 43% of the respondents spend <300 (Rs.) per month for purchasing Sugar confectioneries whereas 33% of the respondents spend Rs.300 to Rs. 600 per month for purchasing Sugar Confectioneries.

Table 11

Choice	No. of Responses	% of Responses
strongly agree	42	15
agree	94	33
neutral	97	35
disagree	31	11
strongly disagree	17	6
Total	**281**	**100**

Illustration 11: The above table no.11 reflect that about 35% of the respondents strongly agree that the price on the confectioneries impact the quantity of purchase while, 6% of the respondents strongly disagree the statement.

Table 12

Choice	No. of responses	% of Responses
Low impact (1,2,3)	84	30
Neutral (4,5,6)	111	39
High Impact (7,8,9)	86	31
Total	**281**	**100**

Illustration 12: According to Table no.12, 31% of the respondents feel that Discounts/offers/coupons have huge impact on quantity of purchase of Sugar Confectionery, whereas 30% of the respondents feel that Discounts/offers/coupons impact very less on their quantity of purchase.

Table 13

Choice	No. of responses	% of Responses
strongly agree	53	19
agree	115	41
neutral	79	28
disagree	22	8
strongly disagree	12	4
Total	**281**	**100**

Illustration 13: According to table 13, about 41% of the respondents agree that the Package appeal impacts while purchasing Sugar Confectioneries whereas 8% of the respondents disagree with the statement.

Table 14

Choice	No. of Responses	% of Responses
Weekly	28	10
Monthly	63	22
Occasionally	118	42
don`t prefer to buy in bulk	72	26
Total	**281**	**100**

Illustration 14: According to table 14, about 42% of the respondents prefer to purchase Sugar Confectioneries in bulk occasionally, whereas 26% of the respondents won’t buy in bulk.

Table 15

Choice	No. of Responses	% of Responses
at any nearest store	156	55

at a preferred store	90	32
Online	22	8
buy from sales personnel	13	5
Total	**281**	**100**

Illustration 15: According to table no.15, about 55% of the respondents prefer visiting nearest store for purchasing Sugar Confectioneries whereas 32% of the respondents prefer to buy at their most preferred store.

Table 16

Choice	No. of Responses	% of Responses
strongly agree	29	10
agree	98	35
neutral	96	34
disagree	37	13
strongly disagree	21	8
Total	**281**	**100**

Illustration 16: According to table 16, about 35% of the respondents agree that the advertisements highly impact in selection of brand in Sugar Confectioneries while purchasing, whereas 8% of the respondents strongly disagree with the statement.

Table 17

Choice	No. of Responses	% of Responses
daily	33	12
twice a week	68	24
weekly	77	27
occasionally	103	37
Total	**281**	**100**

Illustration 17: The above table 17, reflect frequency purchase of Baker`s confectionery by the respondents. 32%of the total respondents purchase Baker`s confectionery occasionally while 24% & 27% of the respondents prefer to buy Baker`s confectionery twice a week & weekly respectively.

Table 18

Choice	No. of Responses	% of Responses
cakes	93	33
doughnuts	40	14
cookies	62	22
pastries	86	31
Total	**281**	**100**

Illustration 18: This illustration deals with the general preference of respondents towards various types of Baker`s Confectioneries. 33% of the respondents prefer Cakes more against Pastries (31%), cookies (22%), doughnuts (14%).

RESULTS

CAKES

Table 19.1

Choice	No. of Responses	% of Responses
chocolate	180	64
strawberry	27	10
vanilla	35	12
pineapple	20	7

almond	16	6
others	3	1
Total	**281**	**100**

Illustration 19.1: according to table no.19.1, within cakes 64% of the respondents prefer chocolate flavoured where as 12% of the respondents prefer vanilla and 1% prefer black forest & butter scotch.

COOKIES

Table 19.2

Choice	No. of Responses	% of Responses
chocolate	152	55
strawberry	36	13
vanilla	37	13
pineapple	18	5.5
almond	35	13
others	1	0.5
Total	**279**	**100**

Illustration 19.2: according to table no.19.2, within Cookies 55% of the respondents prefer chocolate flavoured where as 13% of the respondents prefer vanilla, strawberry & almond flavour cookies. As per their response, 2 out of 281 respondents won't prefer cookies; hence the sample considered here for illustration 19.2 is 279.

DOUGHNUTS

Table 19.3

Choice	No. of Responses	% of Responses
chocolate	150	57
strawberry	30	11
vanilla	36	14
pineapple	14	4.5
almond	33	13
others	1	0.5
Total	**264**	**100**

Illustration 19.3: according to table 19.3, within Doughnuts, 57% of the respondents prefer chocolate flavoured where as 14% of the respondents prefer vanilla, while 13% prefer almond flavour doughnuts. As per their response, 17 out of 281 respondents won't prefer doughnuts; hence the sample considered here for illustration 19.3 is 264.

PASTRIES

Table 19.4

Choice	No. of Responses	% of Responses
chocolate	148	53
strawberry	32	11
vanilla	39	14
pineapple	31	11
almond	28	10
others	3	1
Total	**281**	**100**

Illustration 19.4: according to table 19.4, within Pastries, 55% of the respondents prefer chocolate flavoured where as 14% of the respondents prefer vanilla, while 11% of the respondents prefer strawberry & pineapple flavour

pastries.

Table 20

Choice	No. of Responses	% of Responses
<150	89	32
150-500	113	40
500-1000	60	21
>1000	19	7
Total	**281**	**100**

Illustration 20: According to above table 20, 40% of the respondents spend about Rs.150 to Rs.500 per month for purchasing Baker`s confectioneries whereas 32% of the respondents spend less than Rs.150 per month for purchasing Baker`s Confectioneries.

Table 21

Choice	No. of Responses	% of Responses
strongly agree	41	15
agree	98	35
neutral	98	35
disagree	38	13
strongly disagree	6	2
Total	**281**	**100**

Illustration 21: With respect to table 21, about 35% of the respondents agree that Brand is most important while purchasing Baker`s confectioneries where 13% of the respondents disagree the above statement.

Table 22

Choice	No. of Responses	% of Responses
strongly agree	47	17
Agree	114	40
neutral	75	27
disagree	25	9
strongly disagree	20	7
Total	**281**	**100**

Illustration 22: The above table 22 reflect that about 40% of the respondents agree that the price on the Baker`s confectioneries impact the quantity of purchase while, about 9% of the respondents disagree the statement.

Table 23

Choice	No. of Responses	% of Responses
Weekly	46	16
Monthly	60	21
Occasionally	114	41
don`t prefer to buy in bulk	61	22
Total	**281**	**100**

Illustration 23: According to table 23, about 41% of the respondents prefer to purchase Baker`s Confectioneries in bulk occasionally, whereas 22% of the respondents won't buy in bulk.

Table 24

Choice	No. of Responses	% of Responses
Low impact (1,2,3)	80	29
Neutral (4,5,6)	113	40
High Impact (7,8,9)	88	31
Total	**281**	**100**

Illustration 24: According to Table 24, 31% of the respondents feel that Discounts/offers/coupons have huge impact on quantity of purchase of Baker`s Confectionery, whereas 29% of the respondents feel that Discounts/offers/coupons impact very less on their quantity of purchase.

Table 25

Choice	No. of Responses	% of Responses
at any nearest store	128	46
at a preferred store	134	48
Online	15	5
buy from sales personnel	4	1
Total	**281**	**100**

Illustration 25: According to table 25, about 46% of the respondents prefer visiting nearest store for purchasing Sugar Confectioneries whereas 48% of the respondents prefer to buy at their most preferred store.

Table 26

Choice	**No. of Responses**	**% of Responses**
Agree	51	18
neutral	119	42
disagree	111	40
Total	**281**	**100**

Illustration 26: According to table 26, about 18% of the respondents feel it`s reliable to purchase Sugar Confectioneries online/Internet whereas 40% of the respondents disagree with the above statement.

Table 27

Choice	**No. of Responses**	**% of Responses**
Agree	56	20
neutral	104	37
disagree	121	43
Total	**281**	**100**

Illustration 27: According to table 27, about 20% of the respondents feel it`s reliable to purchase Baker`s Confectioneries online/Internet whereas 43% of the respondents disagree with the above statement.

Table 28

Choice	**No. of Responses**	**% of Responses**
Agree	58	21
neutral	115	41
disagree	108	38
Total	**281**	**100**

Illustration 28: According to table 28, about 21% of the respondents feel it`s reliable to purchase Sugar-free Confectioneries online/Internet whereas 38% of the respondents disagree with the above statement.

FINDINGS

- Packing of the Confectionery products play a vital role in consumers` buying behaviour. The more attractive and appeal the package creates, the more buys consumers do.

- Other than Cadbury & Nestle, the respondents were unable to recollect other brand names even though they consume the products that fall under them.
- In this FMCG i.e. confectionery segment, the promotion through celebrities doesn`t impact consumer preference towards the products.
- In the case of Confectionery segment, price and taste of the products impact more in the consumer buying behaviour.
- Compared to Sugar Confectionery & Baker`s Confectionery, Sugar-free Confectionery products are consumed less.
- Consumers easily switch to other brands of Confectionery products if there is unavailability of their preferred product.
- In the case of Baker`s confectionery, discounts impact the quantity of buy made by the consumers.
- Considering both Baker`s confectioneries & Sugar confectioneries, chocolate flavour products are preferred/consumed more.

SUGGESTIONS

- Packing should be attractive and should create an appeal in the minds of consumers in order to increase sales.
- Coinage pricing can be the best strategy to increase the sales Sugar confectionery.
- Instead promoting the Confectionery products through Celebrities, animated or cartoons will impact the consumer buying behaviour more, especially attracts children.
- Companies should make sure than their confectioneries are available at store at all times, as the consumers may easily shift to another Brand`s products if their preferred products is unavailable at the time of their visit.
- Advertisements should be very frequently played in the media (Ex. T.V), in order to occupy top spot in the minds of consumers. This act as remainders so that consumers will not forget the Confectioneries.

CONCLUSIONS

The rise in disposable incomes and the consumers` shift from unbranded to branded products can be the prospect to the confectioneries producers in India. The Confectioneries producers should aim at the consumer market with unique strategies in order to gain the market share and sustain the competition. Before entering into the untapped market, research should be performed regarding the consumers` behaviour towards 4 P`s of marketing and then as per the analysis the companies should align their strategies accordingly. On one hand the rise in the consumption of candies and toffees is a good sign for the non-chocolate confectioneries producers as a product category is in decline stage. But, on the other hand, the major Chocolate confectioneries producers would face a huge blow if they wouldn't come up with unique strategies and unique selling points for their products. With online business being most utilized platform, the confectioneries producers & distributors/wholesalers may implement new strategies in order increase their sales and build their market position.

With unique selling points, considering 4 P`s of marketing along with Packaging, aimed differently at consumers belonging to Rural and Urban confectionery producers can achieve their objectives.

Advertisements should be very frequently played in the media (Ex. T.V), in order to occupy top spot in the minds of consumers. This act as remainders so that consumers will not forget the Confectioneries.

Varied flavours of the Confectioneries should be produced and should be made available at stores at all times. Hence, even though consumers shift to other flavours of same confectionery products they end up purchasing from their preferred Brand.

Discounts and special offers should be enabled, in case of Baker`s Confectionery, in order to encourage the frequency and quantity of buy.

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